

21 July 2016

## MAJOR PRODUCT OFFTAKE AGREEMENTS SECURED FOR BAOBAB PROJECT

### HIGHLIGHTS:

- **Baobab rock phosphate product to be purchased by well-established international fertiliser companies**
- **Combined commitment for between 240,000tpa and 360,000tpa, representing more than half of anticipated annual production**
- **Initial three-year terms, extendable by agreement**
- **Market based pricing**

Avenira Limited (Avenira or the Company) is pleased to announce that Gadde Bissik Phosphates Operations SUARL, a Senegalese subsidiary of Avenira, has signed its first export rock phosphate supply agreements with established international fertiliser companies, with Baobab rock phosphate product destined for downstream phosphate fertiliser producers. These agreements mark a significant milestone for Avenira as the Company approaches first production at Baobab.

Under the three-year offtake agreements, the buyers will initially purchase between 240,000 and 360,000 metric tons per annum of rock phosphate from the Baobab Project's production, with the term extendable at the option of both parties. Product will be delivered from the port of Dakar, with offtake pricing to be based on the global market price for equivalent rock phosphate product and set for semi-annual periods.

Securing these agreements demonstrates that there is good demand for quality rock phosphate product, as well as showing the market's confidence in the Baobab Project's ability to produce and deliver a desirable product. Avenira is currently engaged with a number of other parties on further offtake arrangements set to cover the balance of planned annual production which it expects to convert into formal agreements in the near term.

Managing Director, Cliff Lawrenson commented; *"We are very pleased to have secured our first export offtake customers for rock phosphate from the Baobab Project and we are looking forward to converting other MOU's into commercial supply contracts in the near future. These first contracts cover a relatively large share of our planned production and provide a solid base upon which to add incremental offtake arrangements."*

Cliff Lawrenson  
Managing Director

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